

Request for Limited Modification of LATA Boundaries to Provide ELCS Between Verizon Virginia Inc.'s Haysi and Verizon South Inc.'s Richlands Rate Exchanges

(1) Type of Service

Traditional Local Service, Non Optional ELCS

(2) Direction of Service

Two-way

(3) Exchanges Involved

ELCS between Verizon Virginia Inc.'s Haysi exchange located in the Roanoke, Virginia LATA and Verizon South Inc.'s Richlands exchange located in the Bluefield, West Virginia Independent Market Area.

(4) Name of Carriers

Haysi - Verizon Virginia Inc.
Richlands - Verizon South Inc.

(5) State Commission Approval

The Virginia State Corporation Commission issued a Final Order on August 2, 2002 approving ELCS for this route. A copy of the Final Order is attached.

(6) Number of Network Access Lines

Haysi Exchange - 1,603
Richlands Exchange - 11,140

(7) Usage Data

Messages per main station per month

Haysi to Richlands - 2.37
Richlands to Haysi - 0.19

Percent of subscribers making calls

Haysi to Richlands - Data not available
Richlands to Haysi - Data not available

(8) Poll Results

Haysi to Richlands

Fifty-eight percent of those responding voted for ELCS.

Richlands to Haysi

Richlands customers received public notice by newspaper display advertisement.
No comments or requests for public hearing were received.

(8) Poll Results (Continued)

ELCS Rate Increase - Haysi

Residential

Flat Rate	\$ 2.52
Message Rate	\$ 0.24
Measured Rate	\$ 0.15
Economy Rate	\$ 0.00
Exchange Only Rate	\$ 1.16

Business

Flat Rate Line	\$14.51
Message Rate Line	(\$ 1.00)
Measured Rate Line	(\$ 0.50)
Flat PBX Trunk	\$26.14
Message PBX Trunk	(\$ 1.00)
Measured PBX Trunk	(\$ 0.50)

ELCS Rate Increase - Richlands

Residential

Flat Rate	\$0.02
Lifeline Service	\$0.02
Exchange Only Service	\$0.01
Economy Measured	\$0.01

Business

Flat Rate	\$0.03
Flat Key Line Service	\$0.03
Flat Rate Trunk	\$0.03
Measured Single Line	\$0.01
Measured Key Line	\$0.01
Measured Trunk	\$0.01

(9) Community of Interest Statement

The Haysi exchange is located in southwest Virginia in Dickenson County and is in the Roanoke, Virginia LATA. The Haysi exchange serves approximately 1600 customers. The Richlands exchange is located in Tazewell County to the east of Haysi. Richlands is in the Bluefield, West Virginia Independent Market Area. Richlands serves approximately 11,100 customers. Community of interest is primarily from Haysi to Richlands. Interest is primarily medical, educational, commercial, and transportation. The Haysi exchange offers basic medical facilities such as the Haysi Clinic and the Haysi Drug Center. More specialized medical care is available at the Clinch Valley Regional Medical Center which includes emergency care, surgery, coronary care, pre-natal and obstetrical care. Nursing home facilities are also available in Richlands. Educational facilities are available to the area, including Haysi, from Southwest Virginia Community College located in the Richlands exchange. Richlands serves as a retail/commercial/professional center for the area. Available in Richlands are one of two county shopping centers, several major department stores, professional services such as lawyers and accountants, car dealerships and numerous banks. Commercial air transportation is available from the Tazewell County Airport located in the Richlands exchange. In summary, ELCS will allow Haysi customers expanded local communications to their nearest commercial, specialty medical, and educational center.

(10) Maps

Maps are attached for the Haysi, Davenport, Honaker and Richlands exchanges.

(11) Other Pertinent Information

Chronology

On October 20, 2000, Verizon Virginia Inc.'s Haysi exchange subscribers petitioned the Virginia State Corporation Commission for Expanded Local Calling Service (ELCS) to Verizon South Inc.'s Richlands exchange. The Commission directed Verizon Virginia to determine the change in monthly rates to provide ELCS from Haysi to Richlands. Verizon Virginia surveyed all of its Haysi subscribers regarding their willingness to pay the additional rates as outlined in (8) above. Fifty-eight percent of the subscribers responding voted favorably.

Chronology (Continued)

The Commission then directed Verizon South to determine rates for ELCS calling from Richlands to Honaker. The Richlands to Honaker cost study was accepted by the Commission. On April 19, 2002, the Commission issued an Order Prescribing Notice for the Richlands exchange. Public notice was provided to Richlands customers via newspaper display advertisement. The customer comment period was May 10, 2002 through June 10, 2002. No comments or requests for public hearing were received from Richlands customers.

Both surveys and their results met the requirements for implementation as outlined in Section 56-484.2 of the Virginia State Code.

On August 2, 2002, the Virginia State Corporation Commission issued a Final Order approving Expanded Local Calling Service between Haysi and Richlands.

Virginia State Code, Section 56-484.2

This section of the Virginia State Code allows customers to petition the State Corporation Commission for ELCS. A copy of this section is attached.

Attachments

Virginia State Corporation Commission Final Order in Case No. PUC-2001-00202

Virginia State Corporation Commission Division of Communications Staff Report of Larry Kubrock dated June 14, 2002

Maps of the Haysi, Davenport, Honaker and Richlands rate exchanges

Virginia LATA map

Virginia State Code, Section 56-484.2

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, AUGUST 2, 2002

PETITION OF

VERIZON VIRGINIA INC.

CASE NO. PUC-2001-00202

For Extended Local Service from
Verizon Virginia Inc.'s Haysi
Exchange to its Dante, Honaker,
and Lebanon exchanges and to
Verizon South Inc.'s Richlands
and Big Prater exchanges

FINAL ORDER

In October 2000, telephone customers in Verizon Virginia Inc.'s ("Verizon Virginia") Haysi Exchange petitioned the State Corporation Commission ("Commission") for local calling to the Dante, Honaker, and Lebanon exchanges of Verizon Virginia and the Richlands and Big Prater exchanges of Verizon South Inc. ("Verizon South").¹ On August 16, 2001, the Commission received a cost study from Verizon Virginia for the Haysi Exchange that was used to estimate the approximate change in the monthly rate for service that will result from the requested extension of local service.

Pursuant to the Commission's Order Directing Poll, issued December 5, 2001, Verizon Virginia polled its customers in the

¹ Extended reciprocal calling between the Haysi Exchange and the contiguous exchange of Big Prater was approved in Phase Five of the expanded local calling between contiguous exchanges in Case No. PUC-2000-00204. Therefore, reciprocal calling between these two exchanges will not be addressed in this case.

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Haysi Exchange regarding their willingness to pay higher rates for local calling to the Dante, Honaker, and Lebanon exchanges of Verizon Virginia and to the Richlands Exchange of Verizon South ("ELS proposal"). The results satisfied the polling requirements of § 56-484.2 of the Code of Virginia.

The Commission issued an Order Prescribing Notice of the ELS proposal for the Dante, Honaker, Lebanon, and Richlands exchanges on April 19, 2002, and on May 17, 2002, Verizon Virginia filed proof of notice as required. No comments or requests for hearing were filed. A poll of these customers was not required because the proposed rate increase for one-party residential customers resulting from the ELS proposal did not exceed five percent of the existing one-party monthly residential flat rate.

On June 14, 2002, the Staff Report of Larry J. Kubrock was filed, which recommended approval of the ELS proposal.

Accordingly, IT IS ORDERED THAT:

(1) The proposed extension of local service between Verizon Virginia's Haysi Exchange and its Dante, Honaker, Lebanon exchanges, and Verizon South's Richlands Exchange shall be implemented.

(2) Verizon Virginia shall file the tariff revisions necessary for the proposed extension of local service.

(3) There being nothing further to come before the Commission, this case is closed.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lydia R. Pulley, Vice President and General Counsel, Verizon Virginia Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, 900 East Main Street, Second Floor, Richmond, Virginia 23219; Mrs. Hackey, HCR-01 Box 950, Birchleaf, Virginia 24220; and the Commission's Office of General Counsel and Division of Communications.

A True Copy
Teste:

Goldman
Clerk of the
State Corporation Commission

COMMONWEALTH OF VIRGINIA

**STATE CORPORATION COMMISSION
DIVISION OF COMMUNICATIONS**

**STAFF REPORT OF
LARRY J. KUBROCK**

PUC-2001-00202

**PETITION OF CUSTOMERS OF VERIZON VIRGINIA INC.'S
HAYSI EXCHANGE FOR EXTENDED LOCAL SERVICE TO ITS VERIZON
VIRGINIA INC.'S DANTE, HONAKER, AND LEBANON EXCHANGES AND
TO VERIZON SOUTH INC.'S RICHLANDS EXCHANGE**

June 14, 2002

**PETITION OF CUSTOMERS OF VERIZON VIRGINIA INC.'S
HAYSI EXCHANGE FOR EXTENDED LOCAL SERVICE TO ITS VERIZON
VIRGINIA INC.'S DANTE, HONAKER, AND LEBANON EXCHANGES AND
TO VERIZON SOUTH INC.'S RICHLANDS EXCHANGE**

PUC-2001-00202

Background

In response to a petition filed pursuant to § 56-484.2 of the Code of Virginia, Verizon Virginia Inc. ("VerizonVirginia") surveyed its Haysi Exchange customers for Extended Local Service ("ELS") into its Dante, Honaker, Lebanon, and Verizon South Inc.'s ("Verizon South") Richlands Exchanges. ELS is a flat rate two-way calling between two or more exchanges. The result of the poll is as follows:

Total Ballots Mailed	1,326	
Customers Responding	370	27.9%
Number of Responses		
Yes	214	57.8%
No	156	42.2%

The proposal for ELS from the Haysi Exchange to the Dante, Honaker, Lebanon and Richlands Exchanges met the polling requirements of § 56-484.2.

The Commission issued an Order Prescribing Notice of the proposed ELS route on April 19, 2002. The Company was ordered to furnish notice as display advertising in newspapers of general circulation in the exchanges of Dante, Honaker, Lebanon, and Richlands and to provide proof of notice on or before May 24, 2002. On May 17, 2002, Verizon filed proof of notice as required.

A poll of the customers in the Dante, Honaker, Lebanon and Richlands Exchanges was not required because the proposed rate increase for one-party residential customers does not exceed five percent of the existing one-party monthly residential flat rate.

Affected telephone customers were given until June 10, 2002, to file comments or requests for a hearing on the proposal. No comments or requests for a hearing were received.

Recommendation

The Staff recommends that the Commission approve ELS between Verizon Virginia's Haysi Exchange and its Dante, Honaker, Lebanon, and the Verizon South's Richlands Exchanges.

ARTICLE 4.

Extension and Reduction of Telephone Service

§ 56-484.2. Extension or reduction upon poll of certain subscribers.

— A. Upon petition of five percent but in no case less than twenty-five of the subscribers in an established telephone exchange for an extension or reduction of their local service area to include or exclude a contiguous local exchange or exchanges, or upon resolution of the governing body of a county for a countywide local service area, the Commission shall estimate the approximate change in the monthly rate for service which will result from such extension or reduction. In the case of a governing body resolution for countywide calling, the Commission, prior to estimating the approximate rate change, shall determine which exchanges within the county have a community of interest calling percentage that is fifty percent or greater in at least one direction to at least one other exchange within the county. The Commission shall then undertake to estimate the approximate change in the monthly rate for service that will result from such expanded local calling area for each such exchange. The Commission shall order the affected company or companies to poll those subscribers whose monthly rate for service would change if the proposed changes were adopted. However, polls shall not be required in the exchange or exchanges to which the petitioners desire an extension of local service if (i) any resulting rate increases in any twelve-month period do not, in the aggregate, exceed five percent of the existing monthly one-party residential flat rate service for the affected exchange to which the petitioners desire an extension of local service or (ii) any resulting rate increases in any twelve-month period, in the aggregate, exceed five percent solely due to rate regrouping. No more than one petition for a poll from the same group of subscribers or resolution from the governing body of a county shall be considered by the Commission during any three-year period. For purposes of determining the exchanges that will be polled pursuant to this subsection, *"community of interest calling percentage"* means the percentage of customers in an exchange that make one or more calls per month to another exchange within the county.

B. If a poll is required pursuant to subsection A and a majority of the subscribers are in favor of the proposed change, or if the Commission determines that a majority of subscribers voting are in favor of the proposed change, the Commission shall order the extension or reduction of their local service area. For the purposes of this section, the number of subscribers in an established telephone exchange shall be deemed to be the number of subscribers in an exchange as of January 1 of the calendar year when the petition is submitted to the Commission. Ballots polling subscribers on a proposed change in local service area shall be counted sixty days after being mailed and the results certified to the Commission.

C. If a poll is not required pursuant to subsection A, the Commission shall require notice to customers in exchanges in which polls are not required and shall convene a hearing on the proposed extension or reduction of the local calling area if the lesser of five percent or 150 of the customers within such exchanges request a hearing. The Commission may convene a hearing under this subsection on its own motion without regard to the number of customers who request a hearing.

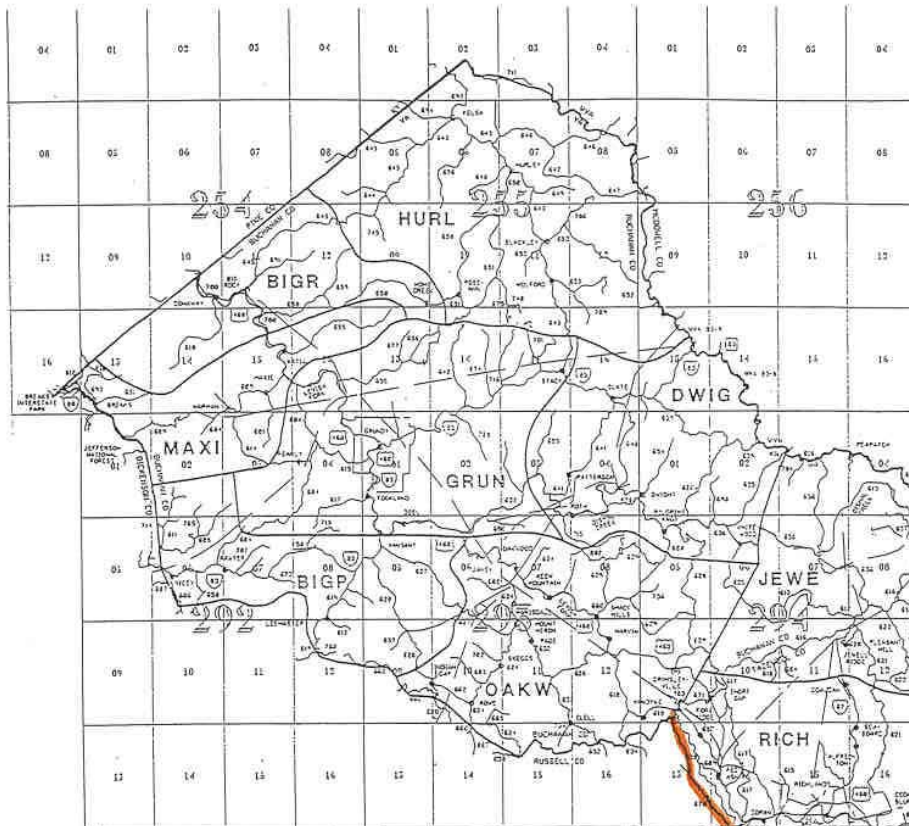
D. Where the governing body of a county passes a resolution for a countywide local service area under subsection A and the poll for such service is defeated, the governing body shall reimburse the affected company or companies for the costs of the poll.


E. The Commission shall give the highest priority to petitions or resolutions presented under subsection A that involve exchanges in rural areas. (1976, c. 265; 1978, c. 232; 1985, c. 382; 1990, c. 339; 1993, c. 974; 1994, cc. 180, 347; 1995, c. 466.)

The 1994 amendments. — The 1994 amendment by c. 180, deleted the former next-to-last sentence in subsection A, which provided: "If subscriber polls are not required, the Commission shall proceed pursuant to the provisions of § 56-237.2"; and added subsection C.

1994 amendment by c. 347, in the first sentence of subsection B, deleted "that more than fifty percent of the subscribers have voted in the pool and" following "determines," and substituted "subscribers" for "those."

The 1995 amendment, in subsection A, inserted "or upon resolution of the governing body of a county for a countywide local service area" in the first sentence; added the present second and third sentences; inserted "or resolution from the governing body of a county" in the present sixth sentence, and added the seventh sentence; and added subsections D and E.

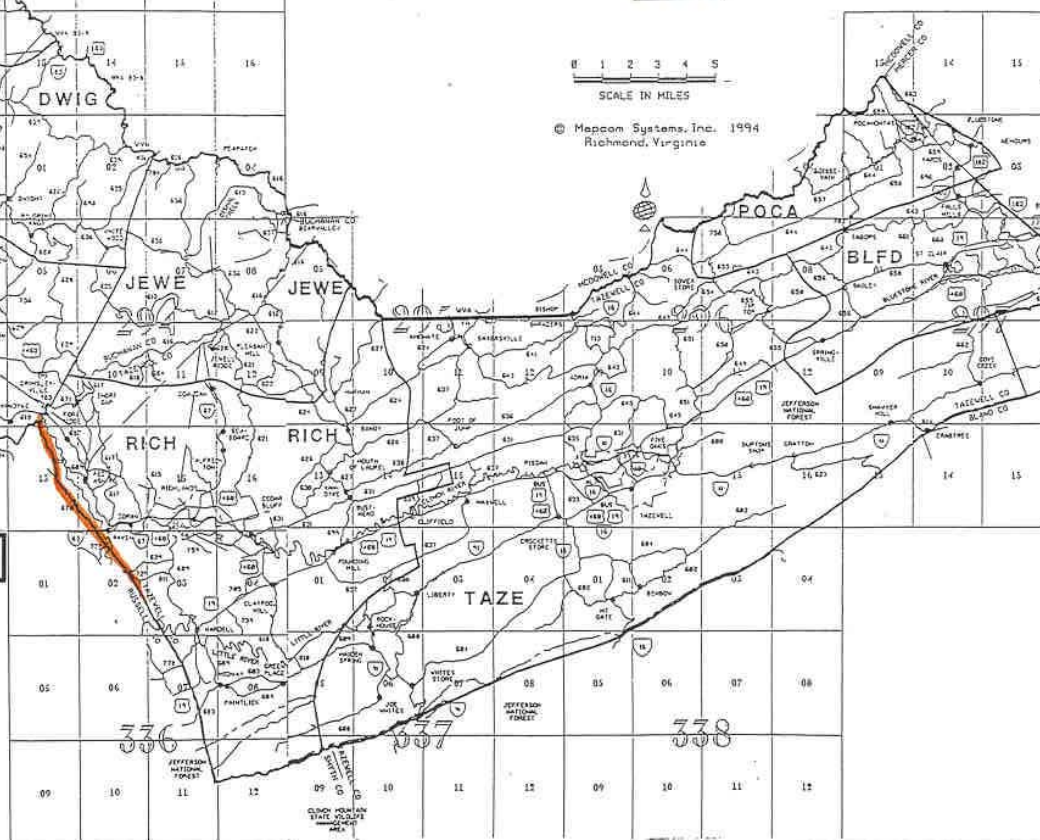


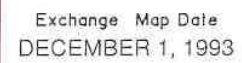
 Honaker and Richlands Exchange Boundary



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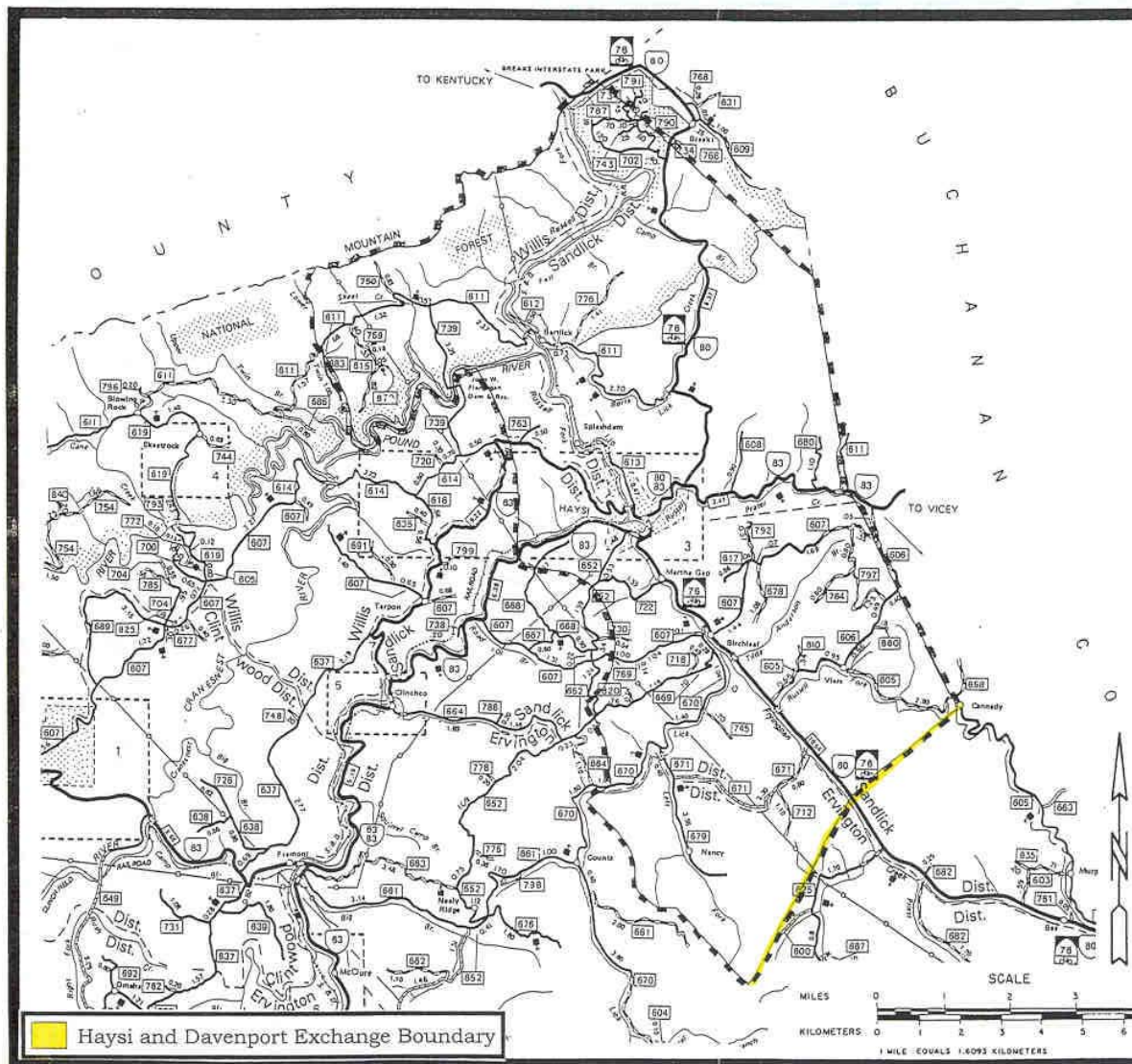




Exchange Boundary



EXCHANGE AREA

HAYSI



Verizon Virginia Inc.

LOCAL ACCESS TRANSPORT AREAS AND INDEPENDENT MARKETING AREAS (Including Independent Telephone Company Areas Associated with each LATA)

 NORFOLK LATA - No. 252	 LYNCHBURG LATA - No. 250	 WASHINGTON D.C. LATA (VA PORTION) - No. 236
 Associated Telephone Companies: Verizon South Inc.	 Associated Telephone Companies: Peoples Mutual Tel. Co. Inc. Sprint/Central Tel. Co. of Va. Verizon South Inc.	 Associated Telephone Companies: Verizon South Inc.
 RICHMOND LATA - No. 248	 ROANOKE LATA - No. 244	 Part of Charleston, WV BOC LATA - No. 254
 Associated Telephone Companies: Amelia Telephone Corp. Buggs Island Tel. Co.-op. Sprint/Central Tel. Co. of Va. Verizon South Inc.	 Associated Telephone Companies: Citizens Tel. Co.-op. Highland Tel. Co.-op. Mountain Grove-Williamsville New Castle Tel. Co. North River Tel. Co.-op. NTELOS Tel. Inc. Pembroke Tel. Co.-op. Roanoke & Botetourt Tel. Co. Scott County Tel. Co.-op. Sprint/Central Tel. Co. of Va. Verizon South Inc. Virginia Telephone Co.	 Part of Bluefield, WV IMA - No. 932 Virginia Independent Tel. Co. Verizon South Inc.
 CULPEPER LATA - No. 246		 Charlottesville, VA IMA - No. 928 Virginia Independent Telephone Co. Sprint/Central Tel. Co. of Va.
 Associated Telephone Companies: Sprint/Central Tel. Co. of Va. Verizon South Inc.		 Edinburg, VA IMA - No. 929 Virginia Independent Telephone Co. Shenandoah Telephone Co.
		 Harrisonburg, VA IMA - No. 927 Virginia Independent Telephone Co. Verizon South Inc.
		 Part of Bristol-Johnson City, TN IMA - No. 956 Virginia Independent Telephone Co. Sprint/United Tel.-Southeast

VA PORTION OF THE
WASHINGTON METROPOLITAN EXCHANGE AREA

